

# Compliances under GST Law

Invoicing, Record Keeping, Return Filing, Migration,  
Compliance Rating

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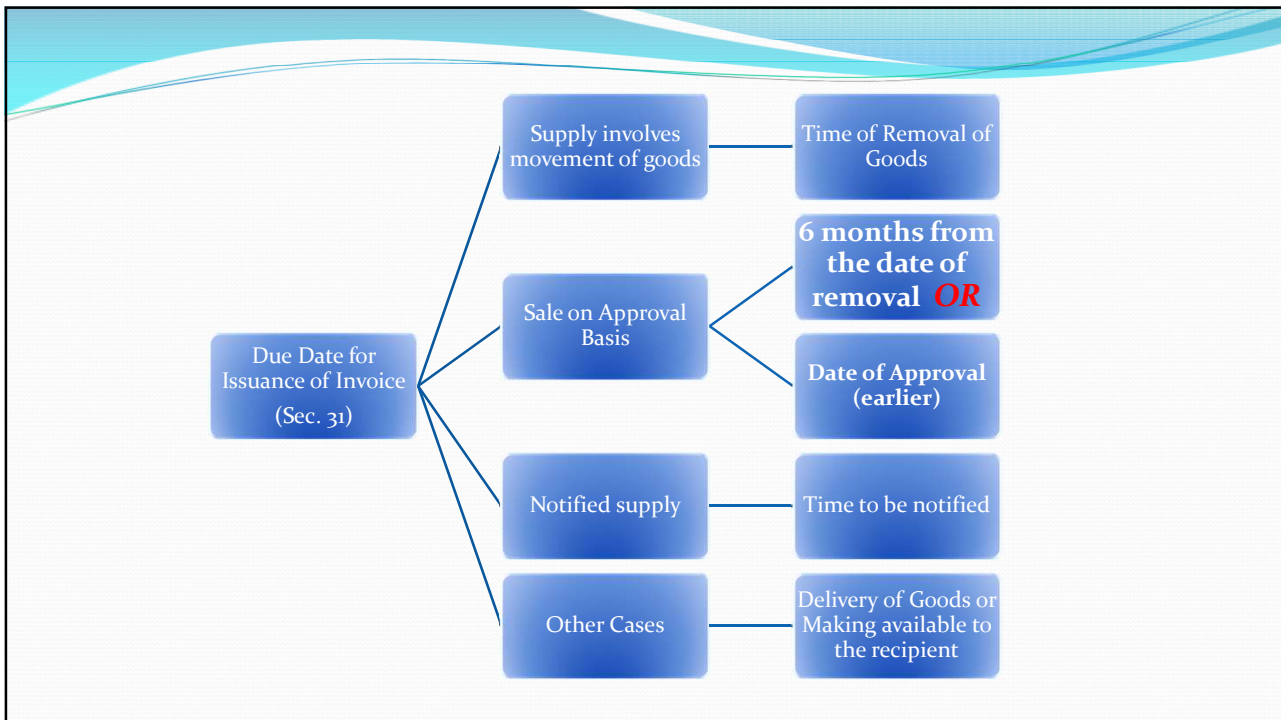
## COVERAGE

- CHAPTER VII & REVISED INVOICE RULES
  - TAX INVOICE, CREDIT AND DEBIT NOTES (Sec. 31 to Sec. 34)
- CHAPTER VIII & REVISED ACCOUNTS AND RECORDS RULES
  - ACCOUNTS AND RECORDS (Sec. 35 to Sec. 36)
- CHAPTER IX & REVISED RETURN RULES
  - RETURNS (Sec. 37 to Sec. 47)
  - GST PRACTITIONERS (Sec. 48)
- CHAPTER XXI – MISCELLANEOUS
  - GST COMPLIANCE RATING (Sec. 149)

# TAX INVOICE

## TAX INVOICE

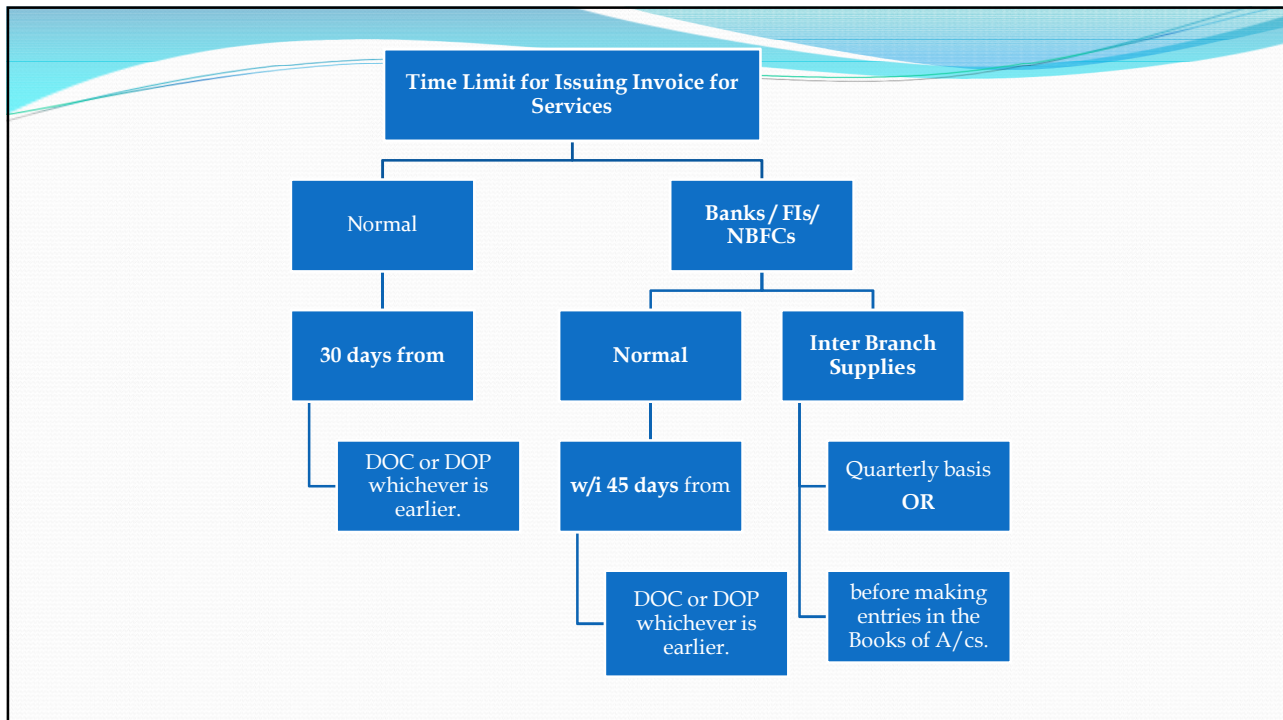
- Invoice is commonly understood as the '**Proof of Sale**'
- Invoice is a document recording the financial terms of the contract already entered into.
- Raising of an Invoice is an **important factor** in determining the Time of Supply.
- Goods and Service Tax Act has provided **due dates** for issuing invoices in **Section 31**.



### Example

- ❖ If a product, say newly introduced Vacuum cleaner, is sold on sale or return basis to a customer on **23.02.2017** and the customer approves the same on **25.08.2017**
  - ❖ In this case the “Time of Supply” shall be the earliest of the following
    - 6 months from the date of removal i.e., **23.08.2017** or
    - Date of Approval i.e., **25.08.2017**
- Hence the due date for raising invoice in this case is **23.08.2017** as it is the earliest date.





## Case Study – 1

Adlaps Pvt. Ltd. Is engaged in providing Advertisement services. For the month of July 2017, its Gross Billings were Rs. 12,50,000 (excluding GST). The break up of these bills are as under –

DOC	DOP	Value (in Rs.)
15 <sup>th</sup> July	26 <sup>th</sup> July	4,30,000
25 <sup>th</sup> June	30 <sup>th</sup> June	2,50,000
5 <sup>th</sup> June	5 <sup>th</sup> July	5,70,000

## Time of Supply - Services Ceases before its completion

### Service ceases before completion

- Deemed to be completed at the time it ceases
- **AND**
- Invoice shall be issued to the extent of supply effected

Example: If the services of construction of a building by an engineer ceases on **23.05.2017** which has to be completed on **29.06.2017**, due to some unavoidable circumstances. The Total agreed consideration is Rs. 25 Lakhs and the Work Completed as on 23.5.2017 was only 3.5 Lakhs

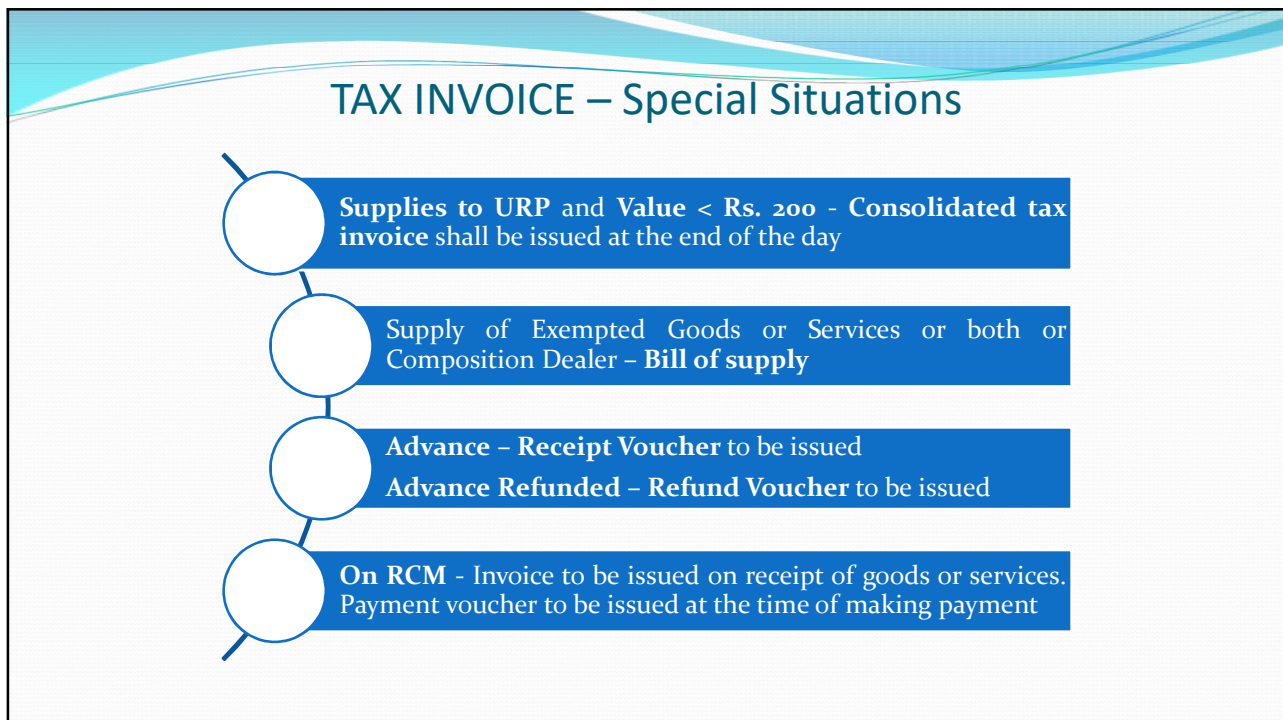
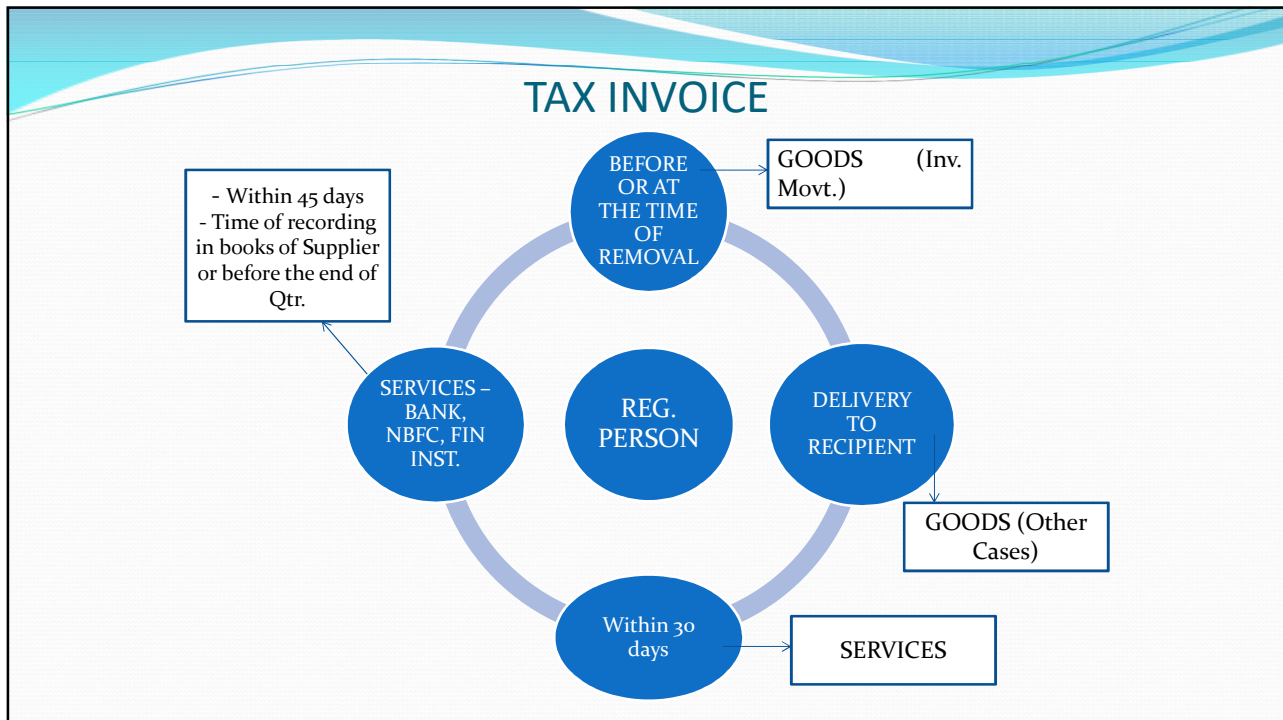
## TAX INVOICE – Continuous Supply

### Goods

- before or at the time of Statement of Account is issued or
- at the time of receipt of payment

### Services


- Due date of payment from the contract is ascertainable
- on or before the due date of payment
- If not - before or at the time of receipt of payment
- Payment linked with the completion of an event – on or before the date of completion of that event





## Transportation of goods without issue of Invoice

Delivery Challan to be issued in the Following Cases -

- 


**Supply of liquid gas** – the quantity is not known at the time of removal
- Transportation of goods for processing / testing etc. (Job Work)
- Transportation of Goods for reasons **other than by way of Sale or supply**
- Notified Supply

## Transportation of goods without issue of Invoice

- Goods are transported either **semi knocked or completely knocked down** condition

  - Issue the complete **invoice before the dispatch** of first consignment
  - **All consignments except last** - made along with the **certified copy of original invoice**, delivery challan having the reference of original invoice
  - **Last consignment** – Original copy of Invoice

**Form GST INV - 1**

 LOGO		<b>GST Limited</b> No.27, Akbarabad second Street, Kodambakkam, Chennai - 600024 <a href="mailto:gstsupport@shrigurukripa.com">gstsupport@shrigurukripa.com</a>												
GSTIN: 33CPYP57682K1Z7 Serial No. of Invoice: A0001		Mode of Transport: By Road Veh.No: TN09 BE 0687 Date & Time of Supply: 05.05.2017 Place of Supply: Tamil Nadu												
<b>Details of Receiver (Billed to)</b> Name: M/s XYZ Ltd Address: No.27, Bahadur Street, Chennai State: Tamil Nadu State Code: 33 GSTIN/Unique ID: 33CPYP27782A1Z9		<b>Details of Consignee (Shipped to)</b> Name: M/s XYZ Ltd Address: No.27, Bahadur Street, Chennai State: Tamil Nadu State Code: 33 GSTIN/Unique ID: 33CPYP27782A1Z9												
S.No	Description of Goods	HSN Code	Qty	unit	Rate	Total	Discount	Taxable value	Rate	Amount	Rate	Amount	Rate	Amount
1	Fruit Juice	22023090	10000	Bottle	150	1500000	-250000	1250000	9%	112500	9%	112500	0	0
2	Kays	21069099	10000	Pack	10	100000	-10000	90000	9%	8100	9%	8100	0	0
3	Transport Charges	22023090	0	0	0	50000	0	50000	9%	4500	9%	4500		
4	Bottle Charges	22023090	0	0	0	10000	0	10000	9%	900	9%	900		
						<b>1650000</b>	<b>-250000</b>	<b>1400000</b>		<b>126000</b>		<b>126000</b>		<b>0</b>
										<b>Total</b>				<b>1652000</b>
<b>Invoice Total ( In Words ) : Sixteen Lakhs Fifty Two Thousand Only</b>														
<b>Certified that the Particulars given above are true and correct and the amount indicated</b> a) represent the price actually charged and that there is no flow additional consideration directly or indirectly from the buyer or b) is provisional as additional consideration will be received from the buyer on account										Electronic Reference Number :				
<b>TERMS OF SALE</b> 1) Goods once sold will not be taken back or exchanged 2) Seller is not responsible for any loss or damaged of goods in transit 3) Buyer undertakes to submit prescribed ST declaration to sender on demand. Disputes if any will be subject to seller court jurisdiction										For Company Name  Authorised Signatory				

- What
  - Name, address, GSTIN of the supplier
  - Consecutive Serial Number – unique for FY
  - Date of its issue
  - Name, address, delivery address of the recipient
    - for Registered – no threshold limit (additional details - GSTIN)
    - For unregistered – if the value is more than Rs. 49999
  - HSN Code – Goods or Accounting Code – Services, Description, Quantity – in case of goods
  - Total value of supply
  - Taxable value of supply after taking into account discount or abatement
  - Rate of Tax, amount of tax
  - if it is RCM, it should be mentioned
  - Duly signed by authorized person either manually or digitally
  - In case of export
    - “SUPPLY MEANT FOR EXPORT ON PAYMENT OF IGST” or “SUPPLY MEANT FOR EXPORT UNDER BOND OR LETTER OF UNDERTAKING WITHOUT PAYMENT OF IGST”
    - Name and address of the recipient, delivery address



## Contents of Other Documents

- In case of **Bill of Supply**
  - All details except the **rate of tax, amount of tax**
- In case of **Receipt Voucher**
  - Instead of value of supply, the **amount of advance to be mentioned.**
  - All other are same
- In case of **Banking, Insurance, NBFC, Fin. Instt.**
  - All fields, except serial number, address of the recipient
- In case of **GTA**
  - Gross weight of the Consignment, name of the Consignor and Consignee, Regn. No. of carriage, details of the goods transported, place of origin and destination, GSTIN of the person paying tax on this service
- In case of **Passenger Transportation Service**
  - Need not be serially numbered, the address of the recipient. **In Ticket form or any other form instead of invoice**

- **Manner**

- In case of Invoice – for goods
  - In Triplicate (O – Recipient, D – Transporter, T – Supplier)
- In case of Invoice – for service
  - In Duplicate (O – Recipient, D – Supplier)
- In case of Delivery Challan
  - In Triplicate (O – Consignee, D – Transporter, T – Consignor)

# CREDIT NOTE AND DEBIT NOTE

## • Credit Note

### • Situation

- Taxable Value and Tax charged is excess in invoice or
- Where the goods are returned by the recipient or
- Where the goods or services or both supplied found to be deficient/short

### • Declare the details –

- in the month of issue of credit note but not later than September following the end of the FY of supply made or
- The date of filing relevant Annual Returns (31<sup>st</sup> Dec of SFY), whichever is earlier
- **Tax liability shall be reduced to that extent**
- **However no Reduction in output tax liability, if tax collected from buyer**

A Credit note cannot be issued for downward revision of prices post issue of Invoice, bad debts etc.,

### **Latest Amendment:**

One more Credit Notes may be issued in respect of one or more invoices issued

- Debit Note
  - Situation
    - Taxable Value and Tax charged is less in invoice
  - Declare the details –
    - in the month of issue of debit note
    - Tax liability shall be adjusted in such manner
  - Includes –
    - Supplementary Invoice

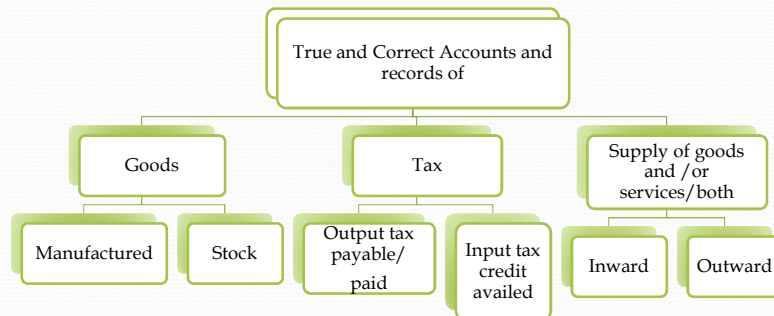
ACCOUNTS  
AND  
RECORDS



## Accounts, records to be maintained

*Regd. taxable person* shall maintain A/cs / records (in e- form also), at his *principal place of business*

If more than 1 place of business, the accounts relating to each place of business shall be kept at such place



## Accounts, records to be maintained

Additional details to be maintained by all registered persons

Including Composition Dealers

Excluding Composition Dealers

### True and Correct Account of:

Goods/ Services Imported or Exported

Supplies attracting Payment of tax on Reverse Charge.

Relevant documents like Invoices, Bill of supply, Delivery challans, Credit and Debit Notes, Receipt, Payment and Refund Vouchers.

Advances received, paid and adjustments made thereto.

Name and complete address of: (i) Suppliers, (ii) Customers, (iii) Premises where goods are stored including goods stored during transit including stock stored therein.

**Stock details** of Goods such as - Opg bal, receipt, supply, lost, stolen, destroyed, written off or disposed off by way of gift or free sample and closing bal of stock of raw materials, FG, scrap and wastage thereof.

**Other details** such as Tax payable [including those u/s 9 (3)/(4)], Tax collected and paid, Input Tax, Input tax credit claimed, Register of Tax Invoice, Credit Notes, Debit Notes, Delivery Challan issued / received

## Accounts, records to be maintained

### Maintained Manually

- Each volume serially numbered
- At Related place of business given in Registration certificate
- Entries in BOA shall not be erased, effaced or overwritten.
- Incorrect entries scored out only under attestation (except of clerical nature)
- On Demand, produce the BOA, which are required to be maintained by any law for the time being in force.

### E-Form [R 57]

- Authenticated by Digital Signature
- Accessible at every related place of business
- Maintain Log of every entry deleted/edited
- Electronic Backup and preservation - to restore records in the event of destruction.
- On demand provide Details / Passwords / Explanation for codes used / any other info required to access records and produce relevant BOA in Hard copy/E-readable format duly authenticated.

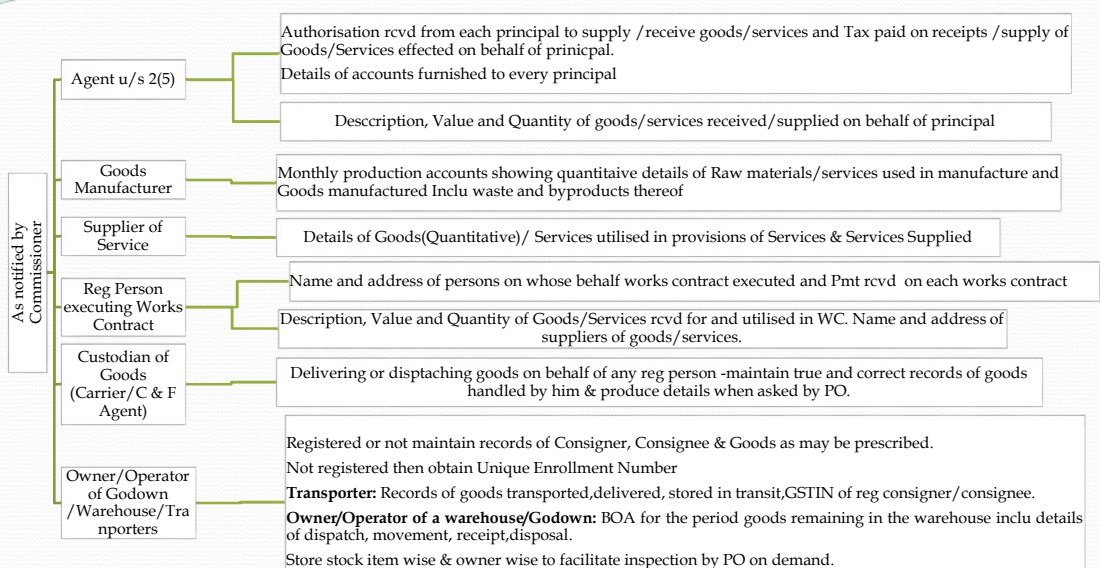
### Retention Period

- Until the expiry of **72 months** from the due date of furnishing of annual return for the year pertaining to such BOA.
- In case of any appeal, revision, proceedings and investigation situation prevail, the reg person shall retain the BoA and other records for a period of 1 year after final disposal of such situation, or for the period specified above, whichever is later.

### Failure to Maintain [S 35(6)]

- PO shall determine the amt of tax payable based on the provisions of Sec.73/74, as the case may be, on the Goods/Services that are not account for, as if such Goods/Services has been supplied by such person.

## Accounts, records to be maintained





Thank You